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The Reagan team — XXII

## Bill Casey: 'forceful' CIA chief

By Daniel Southerland

Staff correspondent of

The Christian Science Monitor

Washington

William J. Casey often comes across in public as a gruff, low-key, and sometimes bumbling lawyer.

But the new director of the US Central Intelligence Agency is a much more sophisticated and well-rounded person than his rugged New York accent and frequently casual manner would lead some people to believe.

A voracious reader, Mr. Casey has written a book on where and how the American Revolution was fought. He is also the author of books on taxes and real estate. His writing and work as a tax consultant helped make him a millionaire.

Among those who know him, Casey has a reputation for forcefulness that is belied by his sometimes offhand manner and a tendency to mumble. A standard joke about Casey is that his mumbling makes it so hard to understand him that no scrambling devices will be required to keep his telephone conversations secret.

Casey's background in intelligence work is considerable. During World War II, as a 32-year-old Navy lieutenant and chief of secret intelligence for Western Europe in the Office of Strategic Services (OSS), Casey was in charge of dropping

agents into Nazi Germany. In his book, "Piercing the Reich," Joseph E. Persico says Casey's mission required a relatively young military officer to deal on an equal footing with generals and admirals. Believing that the rank of civilian would better serve Casey, his superiors put him on inactive duty and sent him out to buy some appropriate gray business suits.

Mr. Persico describes Casey as a man with "an analytical mind, tenacious will, and a capacity to generate high morale among his staff."

"He delegated authority easily to trusted subordinates and set a simple standard — results," says Persico. "He had no patience with the well-born effete who flocked to the OSS, people he dubbed the 'white shoe boys.'"

In the 1970s, Casey served on a commission to recommend improvements in the conduct of American foreign policy and as a member of the President's Foreign Intelligence Advisory Board.

Casey has also served as president of the Export-Import Bank, chairman of the Securities and Exchange Commission, and undersecretary of state for economic affairs.

His appointment comes at a critical moment in the CIA's history. There is considerable support within the GOP for an increase in secret CIA operations abroad.



PUBLISHERS WEEKLY  
30 January 1981**Casey, New CIA Head,  
Is Former Publisher**

The publishing industry, which found itself at odds on several issues with the Central Intelligence Agency last year, now has one of its own as head of that agency. Statements he made at his confirmation hearings don't offer much comfort, however.

At the hearings, William J. Casey, a New York tax lawyer who dabbled in publishing, emphasized that as President Reagan's director of intelligence he would attempt to halt the declining morale in the CIA and talked of working to "minimize" the restrictions that Congress and the executive branch have placed on the agency in recent years.

In the mid-1950s, Prentice-Hall purchased some of the functions and assets of the Institute for Business Planning, then owned by Casey and described as a company "specializing in transactionally oriented information for business people and their professional advisers and consultants." *The Wall Street Journal* said Casey "made a fortune publishing 'desk books' for lawyers needing to know about taxes and estate planning."

When IBP was sold to Prentice-Hall, Casey retained the editorial aspects of the company and incorporated them as "Greenvale Editorial," with a contract with Prentice-Hall to supply editorial services to IBP. That relationship continued until 1971, when President Nixon appointed Casey chairman of the Securities and Exchange Commission, and Casey had to sever all business relationships. Prentice-Hall then bought Greenvale from Casey.

Leo Albert, chairman of Prentice-Hall International, told *PW*, "We still consider him a good friend."

Asked how he thought Casey would deal with publisher concerns such as

the prepublication review process of the CIA and the agency's attempts to get free of the disclosure requirements of the Freedom of Information Act, Albert replied, "As a long-time publisher, Casey can be expected to have a healthy respect for the freedom to publish and for the freedom of information. Unless something were to be against the national interest, he would be free with what could be published."

Casey was not available for an interview, but in his confirmation hearings, he appeared to take many of the hard lines of his predecessors. In emphasizing the need for changing the declining morale at the CIA and minimizing restrictions, he was, in effect, siding with CIA officials who believe some of the most important pieces of legislation it could get from Congress are pieces that failed to get enacted last year. The CIA wants a law that would bar the publication of names of its covert agents and wants to be freed of some of the FOIA strictures.

Casey told senators at the hearings that he favored those measures. He did say, however, that he would observe the current guidelines that bar use of journalists, academics and clerics as agents or covers for agents. But he said he also would review the guidelines and added, "I feel no American should be deprived of serving his country, but I recognize the sensitivity of certain professions and I will adhere to the rules."

Casey, Reagan's campaign manager, was a member of the Office of Strategic Services, the CIA's predecessor, and served in several positions with the State Department and arms control commissions during the 1970s. H.F.

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CHRISTIAN SCIENCE MONITOR  
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## 'Hot' US intelligence expert joins CIA

By Daniel Southerland

Staff correspondent of The Christian Science Monitor

Washington

A new Central Intelligence Agency appointment has gone virtually unnoticed among the public at large but is being widely applauded among US government intelligence experts.

Vice-Adm. Robert R. Inman, now chief of America's largest intelligence organization, the supersecret National Security Agency (NSA), has been chosen by President Reagan to take the No. 2 position at the Central Intelligence Agency.

Among intelligence insiders, the publicly anonymous three-star admiral is considered America's "hottest" intelligence officer. Most of what Vice-Admiral Inman accomplished at the NSA headquarters at Fort Meade, Md., 15 miles north of Washington, remains shrouded in secrecy. But in closed testimony over the past 3½ years, the bespectacled, youthful-looking admiral has impressed senators and congressmen with the effectiveness of the NSA's many electronic listening posts around the world. With 20,000 employees, the NSA has more personnel and a larger budget than the CIA.

The NSA was created 28 years ago to intercept the messages of foreign governments, and it is believed to have broken more than half of the world's existing governmental codes. Until the Soviets caught on, the NSA was reputed, among other coups, to have developed a system whereby it listened to telephone conversations between Soviet leaders in the Kremlin and other top Soviets driving in their chauffeured limousines around Moscow. During the mid-1970s, the NSA suffered a brief period of notoriety when it was learned that, at executive branch instruction, it had eavesdropped on American citizens.

Inman is known to believe in competition in the analysis of intelligence, and this is something the Reagan administration is pledged to pursue. According to one report, the Defense Department wanted him to take over the Defense Intelligence Agency, but new CIA chief William J. Casey, insisted he was needed there instead.

Because of his experience in dealing with the technological and electronic side of intelligence collection, "Bobby" Inman complements Mr. Casey. Casey's most active involvement in intelligence work was during World War II, when he was in charge of dropping agents into Nazi Germany.

# Restoring CIA Vital To Defense

By ELMO R. ZUMWALT  
and  
WORTH H. BAGLEY

During the next few weeks President Reagan will have to come to grips with the budget inherited from President Carter that will generate a deficit of about \$90 billion and a tax cut without budget cuts that will increase this deficit to about \$100 billion.

The most heroic budget ax-wielding cannot reduce the budget deficit the first year by more than \$30 billion. In that light, the defense increases he has promised are going to have to be more modest than he had hoped. U.S. military inferiority vis-a-vis the Soviet Union cannot be redressed, therefore, sooner than four or five years.

In the interim, thus, the CIA must play a critical role in delaying Soviet expansionism. How ready is the CIA to do this job and what must be done?

The CIA today has a mere shell of the capability it had in the 1960s and early 1970s.

Changes in the law were enacted which curtailed the ability of the CIA to engage in clandestine actions in other countries. These covert activities were further curtailed by the ruthless pruning of hundreds of senior officials from the covert side.

Further, the CIA'S ability to guard against Soviet penetration of U.S. intelligence was hamstrung by the firing of the legendary Jim Angleton, our premier counterintelligence expert, and his senior associates.

In the intelligence evaluation field, CIA professionalism has been badly hurt by the requirements, beginning with Kissinger's, to produce evaluations which are politically acceptable to policy-makers, rather than truly objective.

As a result of all these developments, morale and mission performance at the CIA are at an all-time low.

The new director of the CIA, William Casey, is an old hand at clandestine operations from his World War II Office of Strategic Services days. He has had to analyze and use intelligence in previous government jobs, and has learned how to operate within the bureaucracy of Washington. To turn the CIA around, Bill Casey must:

- Persuade Congress (while it retains requisite oversight) to revise the statutes to restore greater secrecy and to broaden the authority of the CIA to operate clandestinely in foreign countries, in support of U.S. interests.

- Win revision of the presidential directives to restore flexibility to CIA clandestine operations.

- Win support for budgetary increases to build up the greatly weakened covert and counterintelligence staffs.

- Insist on the right of all government intelligence analysts to produce objective intelligence evaluations, regardless of their political or policy implications.

- Restore the president's Foreign Intelligence Advisory Board, which served as an independent check on U.S. intelligence work until President Carter abolished it.

Only when these actions have been initiated will President Reagan be able to receive the accurate, objective intelligence and the political forecasts and conditions for planning how to deal with Soviet/Cuban/Libyan subversion, and thereby protect U.S. interests in the Third World.

Only with a fully revitalized clandestine capability in the CIA — which will take time — will President Reagan have the necessary tools to undo or make much more expensive even the more visible current signs of Soviet expansionism and subversions.

Covert operations cannot always be successful. In the Carter era, they were seldom tried. It is much more difficult to achieve success while U.S. military forces are inferior to the Soviets and, therefore, unable to back up covert operations by deterring Soviet force interventions. But such operations cannot even be considered until the professional capability for such operations is restored within the CIA.

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